

ACQUISITION MISSION—BAVARIAN REVIEW

April 2007

RCO BAVARIA

Volume 2, Issue 4

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INDUSTRY OPPOSES ACQUISITION REFORM—AND WORKS TO SLOW IT DOWN

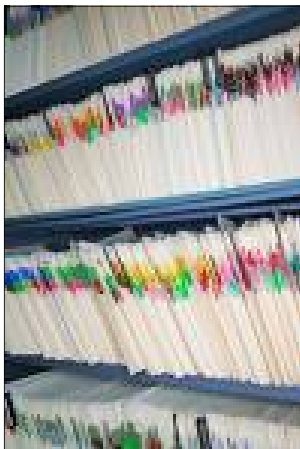
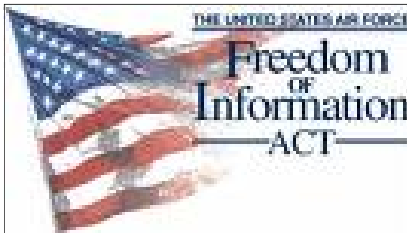
A coalition of industry groups is fighting Acquisition Reform proposals it says will slow government procurement and increase costs to taxpayers. “The “inflammatory language” of HR 1362 “implies there is no accountability in contracting, and that is not the case,” said Trey Hodgkins, senior director for defense programs for the Information Technology Association of America. Instead of attacking industry, reformers should look to reinforce the ranks of the understaffed acquisition work force through recruitment and training programs, Hodgkins said. Among industry and administration objections to HR 1362 are:

Reporting requirements. In addition to quarterly reports on overcharges, the measure requires Agencies to provide un-redacted copies of audits to Congress on request. Industry is concerned about the release of proprietary information. The bill also requires Contracting Officers to report the justifications of sole-source contracts within 14 days of award. Paul Denett, administrator of procurement policy for the Office of Management and Budget, said he was concerned that the bill’s reporting requirements would stretch thin already understaffed contracting offices. Revolving door restrictions. Denett said he was pleased with a change made by the

House Armed Services Committee that would maintain the current, one-year cooling-off period for those entering and leaving government. Limits on cost-plus contracts. The bill requires Agencies to develop plans that contain measurable goals and deadlines to minimize the use of cost-reimbursement contracts. Cost-plus contracts have grown by 75 percent in dollar value since the start of the Bush administration. Limits on Sole-Source Contracts. Since the administration often turns to sole-source contracts during and after emergencies, the bill would limit the lengths of such contracts to eight months.

Industry groups also are taking aim at reforms proposed by the advisory panel created by the Services Acquisition Reform Act (SARA). Among those are limits on time and materials contracts, and expanded protest rights, wherein companies get the right to protest orders placed against existing multiple award contracts. Although the recommendation appears to expand industry rights, the group opposes it because it would slow down procurement, raise costs of items being purchased and throw projects off schedule, according to the industry report.

Federal Times, March 2007.



HOUSE APPROVES STRONGER FOIA MEASURES

HR1309, introduced by Senator Henry Waxman, was passed by the House on March 14th, expanding the Freedom of Information Act, and was done over President Bush's objection that it would impose administrative and financial burdens on agencies that fail to meet deadlines.

The bill requires a tracking system for FOIA requests, stronger agency reporting of compliance to Congress, and a national information advocate to mediate public records disputes. The changes passed by the House would require additional personnel and funding, but agencies would have to rely on existing funds. A Senate Judiciary Committee hearing on a similar version of the bill was held March 15. Both the Senate and House versions impose stiff penalties for missing deadlines for responding to requests. If agencies take too long to respond, the Senate bill would take away their ability to claim certain exemptions for withholding documents. In the House version, if the agency misses deadlines, it would lose the ability to charge any search fees.

The White House issued a statement that the House legislation was "premature and counterproductive" in light of reforms underway. Bush issued a 2005 executive order calling for improvements in processing FOIA requests.

Of the 91 agencies with chief FOIA officers and an additional 58 agency components that handle more than 500 FOIA requests a year, only 36 percent of agencies provide the required indexes of records. Only a quarter of agencies provide online forms for submitting FOIA requests, and many agency Web sites contain incorrect information (one agency's FOIA fax number rang in the maternity ward of a military base hospital., and some government sites just link to each other in an endless empty loop).

The Education Department and NASA had the best FOIA Web sites, and the Air Force, Immigration and Customs Enforcement, and Veterans Affairs had some of the worst, according to a survey.

March 2007, Federal Times.

GSA CHIEF ACCUSED OF IMPROPRIETIES



A series of charges against GSA Administrator Lurita Doan may hinder her ability to lead that Agency. Mrs. Doan is alleged to have illegally pressured her staff to help Republican political candidates, and repeatedly intervened on behalf of a Contractor in a dispute with the Agency.

Mrs. Doan is alleged to have convened a teleconference in January with her senior staff and 40 GSA political appointees to encourage the

officials to help Republican candidates through public events such as the opening of Federal Buildings, and discussed how to exclude Speaker of the House Nancy Pelosi from an opening, and to include a Republican instead (a possible Hatch Act Violation). Regardless of how committee hearings end up on this issue, Mrs. Doan's ability to lead the Agency may be irreparably damaged.

Federal Times, 03/12/07.



**“CONGRESSIONAL
RESTRICTIONS ON
OUTSOURCING, SUCH
AS THE PROHIBITION
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LEAVES THE
GOVERNMENT
VULNERABLE TO
INFERIOR WORK....”**



WALTER REED OUTSOURCING FALLOUT

The Walter Reed National Army Medical Center (WRAMC), which is located in Washington, DC, is the United States Army's premier medical center on the east coast. It serves more than 150,000 active duty and retired personnel from all branches of the military.

The center is named after Major Walter Reed, an army surgeon who led the team that confirmed that yellow fever is transmitted by mosquitos rather than direct contact. Since its origins, what is now the WRAMC medical care facility has grown from a bed capacity of 80 patients to approximately 5,500 rooms covering more than 28 acres of floor space.

In February of 2007, *The Washington Post* published a series of investigative articles outlining cases of alleged neglect (physical deterioration, bureaucratic nightmares, etc) at WRAMC as reported by outpatient soldiers and their family members. A scandal and media furor quickly developed resulting in the firing of the WRAMC commanding general Major General George Weightman, the resignation of Secretary of the Army Francis J. Harvey, the forced resignation of Maj. Gen. Kevin C. Kiley (criticized for not acting on scattered reports of poor conditions during his tenure), congressional committee hearings, and commentary from numerous politicians, including President George W. Bush and Vice-President Dick Cheney.

During a hearing to investigate the problems at WRAMC, lawmakers and Army officials placed partial blame on a public-private job competition that sapped the facility of workers, and on uncertainty about the slated closure of

the center in the ongoing Base Realignment and Closure process. Several lawmakers questioned whether it had been a mistake to outsource base operations support through a competition conducted under the Office of Management and Budget's Circular A-76 rules, and opponents of the A-76 process are using the resulting public outrage to seek support for efforts to fight these types of competitions. Competitive sourcing advocates say it is disingenuous to suggest the A-76 contest caused the problems that face the WRAMC, seeing no connection.

Several independent governmental investigations are on-going and the controversy has spread to other military health facilities and the Department of Veteran's Affairs' health care system.

The Army announced that Maj. Gen. Eric Schoomaker will be the new commander at Walter Reed. Schoomaker, the brother of the Army's outgoing chief, now commands the U.S. Army Medical Research and Materiel Command at Fort Detrick, Maryland.

Meanwhile, Army Undersecretary Preston (Pete) Geren, a former Democratic House member from Texas, will serve as the service's acting secretary until Gates names a replacement for Harvey. Geren ordered an advisory board be convened to recommend potential candidates from the Army Medical Department for the role of surgeon general. The nominee must be approved by the president and confirmed by the Senate. Deputy Surgeon General Gale Pollock will fulfill the duties of Army surgeon general and commanding general of the medical command until Kiley's replacement is selected.

CONGRATULATIONS TO HELMUT LIERS – EMPLOYEE OF THE QUARTER



Our March Birthdays:

Hans-Juergen Diepold
Andrea Schottenhammel
Uschi Grafe
Mike Lund
Helmut Roeckl
Morild Williams



ACQUISITION INITIATIVES

In a recent report on new initiatives, DoD officials assured lawmakers they would transform contracting practices that have been criticized as slow and disjointed. The report, prepared in response to the 2007 Defense authorization bill, amounted to a laundry list of new and old initiatives and programs. The list was broken down into the following headings: workforce, acquisition strategy, development of contract requirements, budgeting, industry collaboration and system-level organization.

Kenneth Krieg, undersecretary of Defense for acquisition, technology and logistics, introduced the report as building on common themes from four recent studies that have addressed procurement issues: the Defense Acquisition Performance Assessment Project; the Defense Science Board Summer Study of Transformation; a report by the Center for Strategic and International Studies; and the Quadrennial Defense Review. "A sense of urgency has been established by the department to streamline and simplify the acquisition system with aggressive

initiatives to provide lasting solutions for predictable performance," Krieg wrote. But many of the initiatives described reflect long-running department efforts or implement simple, fundamental concepts. The workforce section, for example, depicted the foundering NSPS as a key workplace improvement without addressing the roadblocks it has encountered from ongoing lawsuits and union opposition. A section on the successes of workforce training remained silent on reports that the acquisition workforce is understaffed and ill-equipped for the increasingly complex demands placed on it. New strategies also will be used to better incorporate risk factors into decision-making, officials said.

The report also highlighted initiatives linked to contingency contracting, an area that has seen increased scrutiny from Congress as reports have emerged of overcharging and poor contract performance in Iraq.

ICE—TELL US WHAT YOU THINK!

The Interactive Customer Evaluation (*ICE*) system is a web-based tool that collects feedback on services provided by various organizations throughout the Department of Defense (DoD).

The *ICE* system allows customers to submit on-line comment cards to rate the service providers they have encountered at military installations and related facilities around the world.

ICE is designed to improve customer service by allowing managers to monitor the satisfaction levels of services they provide through customer comments and customer comment-based reports.

We encourage you to use *ICE*. You can locate our link by accessing the *ICE* link (ice.disa.mil), and following the links to Army, Europe, USACCE, and finally to RCO Bavaria.



FEDERAL REGISTER

FINAL RULES.

FAR Case 2005-029. Termination or Cancellation of Purchase Orders. This rule revises the FAR to correct the inadvertent omission of an appropriate reference in FAR Subpart 13.302-4(a) for termination for cause for those purchase orders that have been accepted in writing. This FAR revision is a correction to a reference and not a change to the contract termination options available in clause 52.212-(4) (l) or (m). If a purchase order that has been accepted by a Contractor in writing is to be terminated, contracting officers have the option to terminate for cause as well as for convenience. Affected Parts: FAR Subpart 13.302-4, Termination or Cancellation of Purchase Orders.

FAR Case 2006-012, Contract Terms and Conditions Required to Implement Statute or Executive Orders—Commercial Items. FAR 52.219-6 is now included as an option for selection under clause 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders — Commercial Items. Affected Parts: FAR Part 52.

PROPOSED RULES.

Comment by 17 April 2007:

FAR Case 2006-007. This rule proposes adding Subpart 3.10, Contractor Code of Ethics and Business Conduct, that will: 1. Define the “U.S.” to mean the 50 States, the District, and outlying areas as used in FAR 25.003. 2. Include policy stating that contractors should have a code of ethics and business conduct. 3. Exclude commercial item contracts awarded pursuant to FAR Part 12. 4. Provide that contractors receiving awards of \$5M+ with performance periods of 120+ days shall have a written code of ethics and business conduct within 30 days after award and establish an employee ethics and compliance training program and an internal control system. 5. Contractors receiving awards in excess of \$5M shall display the agency OIG fraud hotline poster and any disaster relief poster from Department of Homeland Security, at work locations and at the company website. 6. Provide alternates to the basic clause. 7. Include a flow-down provision that applies to subcontracts at the same dollar level as the prime contract. 8. Provide for remedies if the contractor fails to comply with the clause.



USACCE COR Training Schedule

Questions?

Contact Georg Hoesl,

at DSN 475-8720.

Or email the Instructor at:

USACCE_Training_POC@

hq.usacce.army.mil

3rd Quarter

018	02 - 05 APR 07	Stuttgart
019	16—19 APR 07	Schweinfurt (tentative)
021	23 - 26 APR 07	Heidelberg
023	07 -11 MAY 07	Livorno
025	14 - 18 MAY 07	Vicenza
027	21 - 24 MAY 07	Heidelberg
029	18 - 21 JUN 07	Heidelberg

Refresher Class

020	20 APR 07	Schweinfurt (tentative)
022	27 APR 07	Heidelberg
024	11 MAY 07	Livorno (tentative)
026	18 MAY 07	Vicenza (tentative)



GPC Training (Bldg 244, GTA)

3rd Quarter

APR	18th	25th
MAY	23rd	30th
JUN	20th	22nd

4th Quarter

JUL	18th	25th
AUG	14th	29th
SEP	19th	26th

Need to get into a class? Please Call Gabi Neubauer at DSN 475-8718, or Karin Garcia at DSN 475-8712. Or send an email to:

karin.h.garcia@eur.army.mil, or gabriele.neubauer@eur.army.mil.

DEFENSE DEVELOPS SKILLS ASSESSMENT TOOL

The Defense Department has developed a competence modeling tool to help gauge the capabilities of its acquisition workforce and determine what areas need strengthening or realignment. Shay Assad, director of Defense Procurement and Acquisition Policy, said the model will be used to assess individuals' capabilities and training, and for a high-level view of service and departmental procurement capabilities. Assad said the model will guide procurement professionals in doing self-assessments of their skills and training, and will help supervisors complete similar assessments. That information can help individual offices align skills to tasks. The tool will also aggregate information so that commands and the entire department can analyze available skills. It will

incorporate the department's target capabilities, showing how they compare with the existing skill set. Assad said that in some cases, improvements might be achieved by moving people from an organization in which their skills are plentiful to a group where those talents are in greater need. "No organization has done a competency model for 26,000 people," Assad said. He noted that the model is farther along than a similar project under way by the Office of Management and Budget's Office of Federal Procurement Policy.

Deployment of the model across the full Defense contracting workforce is set to begin before June and be finished within a year. GovExec.com, March 2007.

HOW TO CONTACT US!

The RCO Bavaria is located on the second floor of Building 244, near Gate 3 of the Grafenwoehr Training Area (we're in the same building as SATO, CPAC, Housing, etc.). We are a team of dedicated military and civilian Contracting Officers, Specialists, Analysts, and Support Staff, here to help you.

**RCO BAVARIA**

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Conatser, MAJ James -Deputy 8705

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Roeckl, Helmut 8719

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Buchfelder, Norbert 8733
Grafe, Uschi 8722
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Kraus, Gabi 8724
Neumann, Klaus 8721
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Snail Mail: Unit 28130, APO AE, 09114-8130

Physical Address: Bldg 244, GTA (Lager), Grafenwoehr, Germany 92655

NETZABERG

The Netzaberg project is the Army's largest development project in Europe and is part of what is called Efficient Basing Grafenwöhr, or EBG, a 10-year project to enlarge the 1,200-soldier garrison. The project is part of a billion-dollar construction project for the expansion of the Grafenwöhr training area that will see the base grow from a 1,000-soldier garrison with 2,000 military family members (according to an April 2005 census) to a brigade-size facility with 4,500 active-duty soldiers and 7,000 family members by 2008.

U.S. Army Europe officials have yet to announce which military units will move to Grafenwöhr this summer, but the community can expect 800 to 1,000 new troops each year for the next few years, according to Lt. Col. Elizabeth Hibner, a USAREUR spokeswoman. Many of the new arrivals will live in Netzaberg, next to Grafenwöhr's main post.

The Government-owned Village Center consists of the Elementary School and High School (1500 students), a child care center, youth center, a sports field, a shopette and a Chapel (500 seats) all secured with a fenced entry access control point. Netzaberg will also have 830 houses with garages, with workers already having completed 400 basements. Some 280 houses are in various stages of above-ground construction. The houses are made of pre-cast concrete and look similar to modern German homes off post. The new town will include 12 neighborhoods. The first neighborhood to be completed, known as East 1, is the closest to the Grafenwöhr training area and will be ready for its first inhabitants by May 2007. Landscaping in

the neighborhood is under way with plants expected to go in spring.

Netzaberg's five eastern neighborhoods will contain 394 houses. After East 1, additional neighborhoods will be completed in July, August, September and October 2007. Construction has started on time in three Northwest neighborhoods that will comprise 160 houses and a road has been completed linking four Western neighborhoods that will include 280 houses.

Currently, there are about 350 workers on site each day with the work force expected to reach a maximum of 600 to 700 workers by May 2007.

The Netzaberg project area can be viewed (including a webcam) on the internet under link: <http://www.zapf-gmbh.de/netzaberg.html>

The RCO Bavaria is responsible for the establishment and administration of the following utilities delivery contracts for Netzaberg, which includes the built-to-lease Housing Area and the Government owned Village Center:

Water supply contract; Sewage Disposal contract;
Gas Network contract; Gas Supply contract; and
Electricity Network contract

All contracts include the privatization of the various systems. The start date of the contracts shall be effective 01 June 2007.

(Many, many thanks to Helmut Liers for this article.)



ACQUISITION IS ALL ABOUT MISSION...